 Missouri Department of Natural Resources Administrative Policies and Procedures		
Chapter 7 Financial Management/Purchasing		
Grants and Other Funding Agreements Policy	Effective date	Revised
Number: 7.08	July 1, 2005	

The Department of Natural Resources (DNR) should make application for all cost-effective funding agreements that support the department's mission and goals. Management must consider the ability of the organization to carry out the programmatic and administrative requirements of the award efficiently and effectively with current or proposed resources. All funding agreements will be administered according to the awarding terms and conditions.

REFERENCES

All federal moneys received as grants to be deposited in the Federal Grant Program Fund, except restricted use funds, Section 33.546 RSMo Paragraph (1).

Certain state officials to receive copies of applications for federal funds, Section 33.085 RSMo Paragraph (1).

Executive Order 83-6, "State and Local Review Process"

Presidential Executive Order 12372, "Intergovernmental Review of Federal Programs"

OMB Circular A-87, Cost Principles for State, Local, and Indian Tribal Governments

OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments

Common Rule for Uniform Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments

State Property Accountability Section 34.125, RSMo and 15 CSR40-2.031 "Control of Fixed Assets"


Related DNR policies

Conduct and Ethics 1.01

State Property Accountability 7.04

Purchasing Policy 7.06

DNR Awarded Subgrants and Other Financial Assistance 7.09

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DEFINITIONS

Award: a funding agreement signed by both the department director, or designee, and the funding agency.

Central Contractor Registry (CCR): A government-wide registry of vendors doing business with the federal government.

Cooperative agreement: An agreement authorized by federal statute whose primary purpose is to provide public support or stimulation rather than to acquire goods or services for the direct benefit or use by the department. There must be substantial federal agency involvement during the course of a cooperative agreement such as the federal agency and department staffs performing work together.

DUNS number: the number provided by the commercial company Dun and Bradstreet and used by the federal government as an applicant identifier on funding agreement applications with the federal government. DNR's DUNS number is 878144757.

Funding agreement: an agreement for receipt of financial assistance, including cooperative agreements, grants, purchase orders, Memorandums of Understanding, cost-reimbursement contracts, and other assistance documents.


Grant: the same as a cooperative agreement except that there is no involvement by the federal agency during the course of the grant. The federal agency has only administrative oversight of the work effort to ensure that the funds are spent for their intended purpose.

Indirect costs: costs for a common or joint purpose that cannot be easily and accurately traced to the cost objectives specifically benefited.

Indirect cost rate: an annual negotiated rate approved by the federal Department of Interior applied to personal service and expenditures excluding equipment, program specific distributions, and capital improvements.

Lead organization: The organization that administers a multi-organization funding agreement.

Missouri's Federal Assistance Clearinghouse: The Office of Administration, Division of General Services, Intergovernmental Relations Section, designated as the point of contact for state agencies, regional planning commissions or councils of governments and local governments

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to find out about and comment on grant applications, direct federal development and environmental assessments and impact statements before they are funded or approved.

Organization: A division, program, district office, regional office, state park or historic site within the Department of Natural Resources (DNR).

www.grants.gov: A unified “storefront” for all customers of federal funding agreements to electronically find, apply for, and manage grants. Department level registration is required through the website to submit federal applications and funding agreements.

GENERAL PROVISIONS

The department director enters into all funding agreements. The director may delegate this authority to a deputy department director or the director of the Division of Administrative Support (DAS). Division directors must approve all funding agreements prior to signature by the department director or department director’s designee.


Division directors or their designees may request one amendment to the funding agreement for a time extension if it is requested before the expiration date. A copy of the amendment request must be sent to the Division of Administrative Support at the time the extension is requested. The department director or designee will sign the document from the funding agency finalizing the time extension.

Division directors or their designee are also authorized to provide notification to the funding agency of a change in project officer. Budget adjustments between awarded budget categories, not exceeding 10% of the award, may be processed by the division or lead organization through the DAS Accounting Program.

Any funding agreement amendments or extensions shall be initiated at a minimum thirty (30) days prior to the agreement end date to provide sufficient notice and processing time.

Applying for Funding Agreements

The Department will use the federal portal www.grants.gov to find, apply for, and manage federal funding agreements.

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The department will use the DNR DUNS number 878144757 for all funding agreement applications. The department will have one registration with the Central Contractor Registry and the www.grants.gov portal managed by the DAS Accounting Program.

Division directors and their designees will ensure that staffs applying for federal assistance funding agreements use the department's registration and application processes.

Department indirect costs, based on the annual indirect cost rate, shall be included in all funding agreement application budgets to which they apply.

A copy of any funding agreement requiring Missouri Federal Assistance Clearinghouse review shall be provided to the Office of Administration, Division of General Services, Intergovernmental Relations Section by the division or lead program.

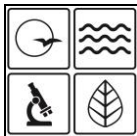
Project management of funding agreements

No work or expenditure of funds is allowed prior to the date the federal funding agreement is signed by the department director or designee. However, if a federal funding agreement is subject to a continuing resolution or other funding assurance from the awarding agency, the division may request an exception from the DAS Accounting Program to commence activity prior to release of federal dollars.

Division directors and their designees, shall establish internal controls to provide reasonable assurance that awards are expended only for allowable activities and that costs of goods and services charged to awards are allowable and in accordance with the applicable cost principles. Division directors and their designees should ensure that funds are fully expended for allowable activities and that, to the extent possible, eligible funds do not lapse.

Division directors and their designees shall safeguard funds, property, and other assets acquired through an award against loss, unauthorized use or disposition. They shall ensure that adequate source documentation exists to support amounts and items reported and shall retain the documentation for the time period required.

Division directors and their designees shall manage funding agreements to ensure federal match requirements are met and project objectives are achieved by the established deadlines.



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Financial management for funding agreements

All financial funding agreement transactions will be tracked and accounted for in the grant subsystem of the State of Missouri's official accounting system. All financial reports submitted to federal or state agencies or prepared for department management will use the official system records for data.

The DAS Accounting Program will establish grant sub-system codes, maintain sub-system tables, prepare/submit standard financial reports by the established deadlines (Financial Status Report and Cash Transaction Report or their equivalents), be responsible for all drawdown requests to awarding agencies, deposits, and related records retention. The Accounting Program will make all adjusting entries to the statewide grants subsystem and retain the related supporting documentation for the required retention period. Annually, the Accounting Program will prepare the Schedule of Expenditure of Federal Assistance (SEFA) for review by the State Auditor's Office.

All federal moneys received from funding agreements shall be deposited into the department's federal fund (0140) or the restricted use Water and Wastewater Loan fund 0649 or the Abandoned Mine Reclamation fund 0697.

For each fiscal year that a federal grant or cooperative agreement is active, divisions shall ensure that all known applications and awards are identified in the department's annual budget request. Any grant or cooperative agreement not specifically identified in the budget request for the fiscal year in which the grant or cooperative agreement is awarded, must be copied to the Director, Senate Appropriations by the Division of Administrative Support's Budget Program.

Questions regarding implementation and interpretation of this policy should be referred to the Division of Administrative Support's Accounting Program.